

# The road to independence

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SWEDISH NATIONAL  
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# Background to the Swedish NAO

- › Predecessors going back to the 17th century
- › The Parliamentary Auditors in 1810, National Accounts Authority in 1921
- › 1990s: Debates on independence
- › 2000: Parliament decides unanimously on the establishment of a National Audit Office under Parliament
- › July 1, 2003: The Swedish NAO begins its operations
- › January 1, 2011: Reformed reporting to Parliament on PA. Reports directly to Parliament. The board is abolished. Clarifications concerning the leadership of the NAO.



# Context of reform in Sweden

- › From “Details and Rules” to “Objectives and Goals”
- › Economic crisis in Sweden in the early 1990’s
- › International perspectives - Sweden was chair of EUROSAI
- › The European Union - “Europeanization”

## The first stage of independence 2003

- › One audit under the Riksdag
- › Independent audit in the constitution and a audit law
- › Three independent auditors general
- › The scope of audit extended to the government
- › The auditors general can make proposals to the Riksdag on issues concerning their mandate
  
- › But...
- › The auditors general report (on PA) to a board of parliamentarians and ex- parliamentarians who decides what findings should be considered by parliament
- › The board formally decides on the proposal for appropriations as well as the annual financial report of Riksrevisionen



# The second stage of independence 2011

- › Review of the reform
- › The board abolished, a council of parliamentarians
- › Reporting directly to parliament
- › One of the auditors general responsible for management
  - Decides on proposal on appropriations
  - Decides on the annual financial statement



# Threats to independence in Europe

- › Audit gaps when competence is transferred to the EU level
- › Additional tasks for SAI:s taking resources from auditing
- › Budget cuts
- › Failure in providing stakeholders with relevant audits



# More Independence

- ✓ Educate decision makers (parliament and governments)
  - ✓ INTOSAI could provide information about auditing in a format that is easily accessible for decisions makers
  - ✓ Good examples of legislation
  
- ✓ Provide legislature with relevant audits of high quality
  - ✓ Demonstrate how we chose our audits by making a comprehensive risk analysis
  - ✓ Ensure the quality of our work by applying ISSAIs



# Some lessons from Capacity Building Projects

- › Strong relationship between adequate legal framework and the successful implementation of auditing standards
- › Legal framework must be clear on mandates, types of audits, entities
- › But also on reporting, responsibilities of auditees etc.